



STATE OF WISCONSIN PHARMACY BENEFIT PROGRAM INFORMATION

INTRODUCTION

In July 2003, the Group Insurance Board authorized the Department of Employee Trust Funds (ETF) to contract with a Pharmacy Benefit Manager (PBM) to provide pharmacy benefit services to all State of Wisconsin group health insurance participants. **All participants** now receive their pharmacy benefit from the PBM, Navitus Health Solutions (Navitus). The pharmacy benefit remains subject to the terms and conditions of Uniform Benefits.

PHARMACY BENEFIT LEVELS

As part of the prescription drug benefit, a three-level co-payment structure for pharmacy benefits will be implemented as of January 1, 2004, and is as follows:

Level 1*	Co-payment per formulary prescription drugs	\$5.00
Level 2**	Co-payment per formulary prescription drugs	\$15.00
Level 3	Co-payment per non-formulary prescription drugs:	\$35.00

*Level 1 consists of formulary generic and certain low cost brand name drugs.

**Level 2 consists of formulary brand name and certain higher cost generic drugs.

OUT OF POCKET MAXIMUM

(applies to Level 1 and Level 2 prescription drugs and Insulin)

There is an annual out-of-pocket maximum of \$300 per individual or \$600 per family for all participants EXCEPT State participants enrolled in the Standard Plan. These participants will have a \$1,000 per individual or \$2,000 per family out-of-pocket maximum. There is no out-of-pocket maximum for Wisconsin Public Employer (WPE) participants enrolled in the Standard Plan or State Maintenance Plan (SMP).

Once the out-of-pocket is reached the PBM will pay 100% of the formulary (Level 1 or Level 2) prescription drug costs. Please note that Level 3 co-payments DO NOT apply to the annual out-of-pocket maximum.

IDENTIFICATION CARDS

Subscribers will have two identification (ID) cards, one from their health plan and one from Navitus. When filling prescriptions, members need to present their Navitus ID card to the pharmacist. To obtain additional ID cards from Navitus, contact Navitus Customer Service. Members will automatically receive a new ID card from Navitus when they add or delete dependents, have a name change, switch health plans, or their group number changes.

PBM CONTACT INFORMATION

Navitus can answer questions regarding your pharmacy benefits, the formulary, and ID cards. Contact Navitus customer service at:

Navitus Health Solutions
5 Innovation Court
Appleton, WI 54912
PHONE: (866) 333-2757 (toll free)
www.navitushealth.com
Hours of Operation:
7:00 a.m. to 9:00 p.m. Monday - Friday

FREQUENTLY ASKED QUESTIONS

Question: What is a Pharmacy Benefit Manager (PBM)?

Answer: A PBM is a third party administrator of a prescription drug program that is primarily responsible for processing and paying prescription drug claims. In addition, they typically negotiate discounts and rebates with drug manufacturers, contract with pharmacies, and develop and maintain the formulary. Navitus will negotiate rebates and discounts on behalf of the State of Wisconsin and pass the savings back to the State. Many health plans provide their drug benefit through a PBM.

Question: What is a formulary and how is it developed?

Answer: A formulary is a list of preferred prescription drugs established by a committee of physicians and pharmacists that are determined to be medically-effective and cost-effective. The formulary is developed by a Pharmacy and Therapeutics Committee, which includes a statewide group of physicians and pharmacists. Drugs are evaluated on the basis of effectiveness, side-effects, drug interactions, and then cost. On a continuous basis new drugs are reviewed to make sure the formulary is kept up-to-date and that patient needs are being met. The formulary is available on the Navitus Web site.

Question: How does switching to one PBM benefit participants in the health insurance program?

Answer: An advantage in having one PBM administer the pharmacy benefit for all participants is that all participants will receive the same pharmacy benefit and have a uniform formulary. Previously, participants may have been receiving a medication covered under their health plan. However, if they switched to a different plan, they may have had problems getting that same medication covered because their new plan had a different formulary. Participants should no longer experience those issues when switching health plans.

Other advantages in switching to one PBM include having the ability to offer initiatives that give value and flexibility to participants, such as tablet splitting, generic sampling and a mail order service. In addition, having a larger purchasing pool for prescription drugs allows our PBM to negotiate rebates and discounts on behalf of the State of Wisconsin and pass the savings back to the State. This may help hold down future cost increases.

Question: Are there prescription drugs that require a prior authorization from the PBM?

Answer: Yes. Navitus has identified some prescription drugs that require prior authorizations, which are typically initiated by the prescribing physician on behalf of the member. More information about prior authorizations is available on their Web site.

Question: Can participants continue to purchase prescriptions from their current pharmacy?

Answer: In most cases, they will be able to continue using their current pharmacy. Navitus contracts with most national pharmacy chains and due to affiliations with other pharmacies in the state, members may have more choices than in the past. A list of network pharmacies is available on their Web site, or you can contact them for a printed version of the list.

Question: Why won't the Level 3 co-payment be applied towards the annual prescription out-of-pocket maximum?

Answer: The three-level prescription drug benefit is designed to encourage participants to use prescriptions listed on the formulary when possible. This allows Navitus to negotiate greater cost savings because these drugs will likely be prescribed more often than equivalent non-formulary prescription drugs.

Additional questions and answers can be found on the ETF and Navitus Web sites

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